

Pat Quinn, Governor



Michelle Saddler, Acting Secretary

100 South Grand Avenue, East • Springfield, Illinois 62762
401 South Clinton Street • Chicago, Illinois 60607

April 27, 2012

VIA HAND DELIVERY

Mr. Dan Long, Executive Director
Commission on Government Forecasting and Accountability
703 Stratton Office Building
Springfield, Illinois 62706



Dear Executive Director Long:

On April 24, 2012, the Commission on Government Forecasting and Accountability submitted to the Illinois Department of Human Services a series of questions concerning the proposed closure of the Warren G. Murray Developmental Center. Please find below the Department of Human Services responses to those questions.

Question 1: An explanation of how you calculated the difference in per resident cost of care at SODC's (approximately \$200,000) versus the cost of care in community settings (approximately \$100,000).

DHS Response: There are several ways to calculate the cost per resident in an SODC (see attached spreadsheet). The first is a simple, straight-forward calculation that divides the SODC's annual spending (or budget) by the average number of residents. For Murray Developmental Center, that calculation (based on FY11 actuals) puts the annual cost per resident at \$130,785. The second method is based on the methodology used to develop the rates used for federal claiming. That methodology is more comprehensive because it includes a number of costs that are not in the SODC budgets. In addition to the annual SODC budget, the methodology includes the cost of drugs, retirement contributions, group insurance, permanent improvements not paid by the facility, day training, and worker's compensation costs. For Murray Developmental Center, the FY11 per capita cost under the more-inclusive methodology comes to \$219,379.

Explanation of estimate for cost of care in community settings (approximately \$100,000 per individual):

For individuals leaving SODCs, the budget assumption is an average of \$84,000 annually. This budget estimate was derived from:

- Previous fiscal year average of community based services funded at the average annual rate of \$52.3K per individual.
- Recognition that individuals currently residing in SODCs may have a need for enhanced services supports as they move to a new setting.

For individuals currently living in community settings, the attributed costs include:

- \$37.4K avg. per individual served
- \$11.4K for day training services
- \$ 2.5K onetime startup expense
- \$ 1K for Individual Service Coordination

Question 2: A copy of the contract entered into by the Department with private consultant who is conducting transition of care interviews with Jacksonville Developmental Center residents.

DHS Response: A copy of the contact with Community Resources Associates, Inc., is attached to this document.

Question 3: A copy of any studies related to the deaths of residents following the closure of the Lincoln Developmental Center.

DHS Response: A copy of a report titled, *An Analysis of Movement From State Operated Developmental Centers in Illinois*, is attached to this document.

Question 4: A break-down of the amount of Federal funding that will be lost due to the closure of the Murray Developmental Center.

DHS Response: The transition of an individual from Murray Developmental Center to a community-based (-) waiver approved setting does not alter the State's eligibility for expenditure-matching claim submission for Federal Financial Participation (FFP) from the Federal Centers for Medicare and Medicaid Services (CMMS).

Since the cost of CILA (Community Integrated Living Arrangement) placements is expected to be less than the cost of keeping a resident in an SODC, then the amount of FFP garnered on the CILA cost is expected to be less than the FFP based on SODC costs. In other words, the dollar amount of FFP will proportionally decrease as State expenditures go down when the individual moves from Murray Developmental Center.

Below is an estimate of the reduction in FFP (CILA vs SODC) based on the information above regarding per capita SODC claiming rates and the estimated annual cost of a CILA placement (\$84,000). For illustration purposes, these estimates assume that all of the approximately 284 average daily residents of Murray are affected in the same way.

	SODC Cost	Community Cost	Difference
Residents	284	284	
Average Annual Cost Per	\$219,379	\$84,000	
Gross State Cost	\$62,303,636	\$23,856,000	(\$38,447,636) Reduction
Federal Match (assumes 50%)	\$31,151,818	\$11,928,000	(\$19,223,818) Reduction
Net State Spending	\$31,151,818	\$11,928,000	(\$19,223,818) Reduction

Although FFP would drop under this scenario, State spending on SODCs would drop by approximately twice that amount.

Question 5: An explanation of how the administration plans to use the resources of the Department of Commerce and Economic Opportunity and the Illinois Department of Employment Security in helping workers who may be laid off at Murray.

DHS Response: The Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Department of Employment Security (IDES) continue to monitor the status of the Murray Developmental Center as it goes through the formal hearing process and will proceed with rapid response activities as the closure process moves forward and additional details become available. A comprehensive and coordinated set of resources are in place at both agencies to provide direct, customized assistance to those facing unemployment to ensure they are matched with available job opportunities in the region or the training needed to secure a job.

RAPID RESPONSE ACTIVITIES

DCEO and IDES will work with the local workforce staff in the offices below to provide the following rapid response services:

- Obtain a list of impacted employees and make them aware of the available workforce services. Staff will also coordinate on-site workshops to explain the services that are available through WIA and IDES.
- Create a customized Rapid Response Page on Illinois workNet that provides the latest information and resources for impacted workers. The website will also include a *needs survey* to help workforce staff develop a strategic plan and service strategy for each impacted worker.
- Match employees with businesses that are expanding with similar skill sets.
- Assist with the application for unemployment insurance benefits.
- Facilitate regional job fairs.

LWIA 23 - Illinois workNet Center - Centralia

325 S. Poplar

Centralia IL 62801

(618) 545-3250 or (217) 235-2942 or (800) 526-0844 TTY or (618) 545-3258 Fax

Hours of Operation: 8:30 am to 5:00 pm - Monday through Friday

LWIA 23 - Illinois workNet Center - Effingham

2311 Hoffman Dr.

Effingham IL 62401

(217) 342-4382 or (217) 235-2942 or (800) 526-0844 TTY or (217) 347-2100 Fax

Hours of Operation: 8:30-5 Monday - Friday

LWIA 23 - Illinois workNet Center - Mattoon

305 Richmond Ave. East

Mattoon IL 61938

(217) 235-2222 or (217) 235-2942 or (800) 526-0844 TTY or (217) 235-2228 Fax

Hours of Operation: 8-5 M-F

LWIA 25 - One-Stop Business & Employment Center-Marion

3000 W DeYoung, Suite 800-B

An Illinois workNet Center

Marion IL 62959

(618) 998-9921 or (618) 998-9602 TTY or (618) 998-8732 Fax

Hours of Operation: Monday - Friday 8:30 a.m. - 4:30 p.m.

LWIA 25 - One-Stop Business & Employment Center-Mt. Vernon

333 Potomac Boulevard

An Illinois workNet Center

Mt. Vernon IL 62864

(618) 241-6720 or (618) 242-7328 TTY or (618) 244-6843 Fax

Hours of Operation: Monday - Friday 8:30 a.m. to 4:30 p.m.

LWIA 24 - Southwestern Illinois workNet Center-Clinton County

851 Fairfax

An Illinois workNet Center

Carlyle IL 62231

(618) 594-4520 or (800) 526-0844 TTY or (618) 594-4504 Fax

Hours of Operation: Monday - Friday 8-4

LWIA 24 - Southwestern Illinois workNet Center-Washington County

455 South Washington St. Room 32

An Illinois workNet Center

Nashville IL 62263

(618) 327-4191 or (800) 526-0844 TTY or (618) 327-4204 Fax

Hours of Operation: Monday - Friday 8-4 In addition, several web based tools (which are also available at the above centers) are in place to assist job-seekers with the customized resources they need to access employment.

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ILLINOIS JOBLINK

Illinois JobLink is a new help-wanted system that makes hiring easier and more cost efficient. Individuals can create multiple resumes using keywords to emphasize skills that target specific jobs in different industries. Employers can create want-ads at no cost that require specific skills or search resumes using keywords, such as salary, educational attainment and location. By analyzing keywords in a job seekers resume, Illinois joblink matches jobseekers with employers seeking these skills. The cross-matching identifies open job titles in the immediate area as well as statewide and elsewhere. There are currently more than 90,000 Illinois job postings in the system.

- Individuals can register with Illinois JobLink today, before the re-alignment takes effect
- If no job title match is found, Illinois JobLink will identify similar opportunities through skills identification
- Resume examples, job hunting guidance and similar counseling is available in each of the offices

ILLINOIS WORKNET

The Illinois workNet® Portal and Program is a virtual one-stop center that utilizes partnerships and technology to expand seamless and real-time access to workforce development resources aimed at Individuals, Businesses and Workforce Professionals. The Individuals Pathway provides youth, adults, and dislocated workers with information and resources to:

- Identify current interests
- Explore and map careers by required skills and training
- Download worksheets and view videos
- Find guidance and save personalized information
- Prepare for, find, apply, and learn to maintain a job
- Connect to Illinois JobLink, and job search resources
- Apply work-readiness skills aligned to national standards
- Connect to employment support services

Jobseekers can access the portal from their home, school, and library or on any computer connected to the internet. Self-access assessment tools are available on the portal such as the skills wheel and interest profiler, along with proctored assessments available to partners at no cost.

TORQ (Transferable Occupation Relationship Quotient)

TORQ is designed to help people whose current job title is not in demand in their area. IDES staff meets with the individual and uses TORQ to assess what other careers an employee already has the skills (or most of the skills) to do. For those that have the skills for another career, TORQ can create a list of job openings as well as the salary level for that new career. TORQ also identifies the training needed to start a new career so that DCEO can provide that training where available.

TORQ is especially helpful to Veterans translating their military experience into civilian job descriptions. IDES has 60 individuals specifically assigned to help Veterans find employment. These "Vet Reps" also work directly with the business community to find positions for our veterans. This includes utilizing federal income tax credits of up to \$9,600 for hiring certain veterans which is a powerful motivator for businesses to hire a veteran.

WIA Services

Illinois will use Workforce Investment Act (WIA) funds to provide job training services to eligible dislocated workers (laid off workers). The training services offered by the local Illinois workNet Centers include:

- Occupational skills training
- On-the-job training
- Cooperative education programs/private sector training programs
- Job readiness training
- Adult education and literacy activities
- Customized employer training

In the past, DCEO has worked with organizations like Connect SI and Illinois Eastern Community College to upgrade the skills of unemployed individuals in the healthcare sector in Southern Illinois. As more information is determined on the specific needs of the impacted workers, DCEO and IDES will develop the most effective strategy to serve these workers.

Question 6: Any information related to the request for inclusion of a geo-thermal heating/cooling system in the capital budget for the Murray Center.

DHS Response: The Division of Developmental Disabilities received a proposal from the Murray Developmental Center in November 2011 for \$6.7M for installation of a geo/thermal heating and cooling system. This proposal is being evaluated, as is the FY11 \$7.0 M capital request for power plant improvements that had been submitted to the Capital Development Board (CDB). The geo/thermal project was not included in any request to CDB. The power plant improvements were included in the DHS capital request, but did not make the priority cutoff.

Question 7: The component scores and other information related to the Murray Center and the other developmental centers when deciding which developmental centers to close.

DHS Response: The administration does not plan to provide the information requested, as it was one of many factors that went into the decision to close the Murray developmental Center.

Question 8: Information on the denial of Freedom of Information Act (FOIA) requests by local elected officials including Representative Evans and Senator McCarter related to:

- a. The component scores for the Murray Center and the other developmental centers.
- b. The criteria and reasoning behind the selection of the Murray Center over other developmental centers.
- c. Information related to the civil rights investigation at the Choate Center.

DHS Response: The Department of Human Services has not received any Freedom of Information Act (FOIA) requests from Representative Evans and has not received any FOIA requests from anyone identifying themselves as a local elected official. On April 13, 2012 Clark Kaericher, Senate Republican Staff, emailed a FOIA request on behalf of Senator McCarter to the Department's FOIA Officer. This request was for "the completed State Operated Developmental Centers-Rebalancing Criteria showing the grading for every developmental center facility in the State." A request for an extension was emailed on April 20, 2012, in order to remain compliant under the FOIA statute. The Department is finalizing its response to Senator McCarter's request.

The Department has no knowledge of any FOIA request for information related to the civil rights investigation at the Choate Center.

Feel free to contact my office should have further questions.

Sincerely,



Randy Wells
Deputy Chief of Staff/Director of Legislative Affairs

Department of Human Services

Annual Per Capita cost
based on facility operating budgets

DD

FY11 Spending
(\$ in millions)

FY11 Avg
Census

Annual Per
Capita Cost
(\$ in thousands)

Annual Per Capita cost
based on federal claiming rates
(\$ in thousands)

Based on
FY10

Based on
FY11

Fox	\$16.875	119	\$141.807	\$211.925	\$238.532
Jacksonville	\$27.855	203	\$137.217	\$213.083	\$222.299
Kiley	\$29.368	221	\$132.887	\$206.267	\$212.343
Ludeman	\$55.829	412	\$135.507	\$191.536	\$213.351
Mabley	\$10.691	90	\$118.789	\$162.934	\$196.810
Murray	\$37.143	284	\$130.785	\$202.601	\$219.379
Shapiro	\$75.420	570	\$132.316	\$202.444	\$218.528

Note: In addition to the operating budget of the facility, the federal claiming rate includes other costs attributable to the facility. Those costs include drugs, retirement contributions, group insurance, permanent improvements not paid by the facility, day training, and worker's comp.